

No. 15,950
United States Court of Appeals
For the Ninth Circuit

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|--|---|---|
| BIDART BROS., a corporation, vs. UNITED STATES OF AMERICA, | } | <i>Appellant,</i> <i>Appellee.</i> |
|--|---|---|

Appeal from the United States District Court for the
Southern District of California,
Northern Division.

Honorable Gilbert H. Jertberg, Judge.

APPELLANT'S CLOSING BRIEF.

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FILED

AUG 25 1958

PAUL P. O'BRIEN, CLERK

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APPELLANT'S CLOSING BRIEF.

In closing this discussion appellant will reply to the position of the Government in the following manner:

1. Section 117 (j) (3) is not restricted to sales of fee land:

(a) Because such a construction singles out portions of the statute to the exclusion of others, in contravention to the rule of construction that all parts of a statute should be read together, and no part should be emphasized standing alone to the exclusion of the other portions of the statute.

(b) The Government's position in effect adds to the statute, in contravention to the rule of construction which prohibits this practice.

(c) The Government's construction is unreasonable in that it, without justification, segregates unharvested crops into two categories: (1) Those grown on fee lands, and (2) those grown on other lands.

(d) The position of the Government violates the Fourteenth Amendment to the Constitution of the United States by extending certain benefits to farmers who own their farms and denying them to others, even though all are engaged in the same profession or business, namely, that of tilling the soil for the purpose of growing crops.

2. The Treasury Regulation is contrary to the plain meaning and spirit of the Act and is void.

3. The problem at issue is one of tremendous importance in that it affects the farming industry as a whole, throughout the United States.

ARGUMENT.

POINT 1.

SECTION 117 (j) (3) IS NOT RESTRICTED TO SALES OF "FEE LAND".

It is submitted that a fair and reasonable reading of the section compels the conclusion that the section applies to all transactions involving a transfer of the right to occupy land and not merely to transactions

in which the "fee" title to land is sold. The section is directed not to an unharvested crop on fee land but to "an unharvested crop on land *used* in the trade or business and *held*¹ for more than six months". No plainer or more forceful language could be used to indicate the character or extent of tenure of ownership in the land required as a condition to bring the section into play. It is important, also, to note that prior to the adoption of Section 117 (j) (3) Section (j) (1) applied to "real property used in the trade or business held for more than six months."² The addition of (3) uses "land", not "real property".

The Government is singling out and giving undue stress to the phrase "if the crop and the land are sold", and is not attempting to construe the language of the statute as a whole. As stated in *Mertens, Law of Federal Income Taxation*, Volume 1, page 20:

"The legislative intent is to be drawn from the whole statute so that a consistent interpretation can be reached and no part shall perish or be allowed to defeat another. No provision of a statute stands alone but each must be read with the others bearing upon it."

¹The word "held" is the past tense and past participle of the verb "hold", which Webster defines as "to have and keep as one's own; to be in possession of; to occupy." While the word is broad enough to include title in fee it is by no means restrictive enough to apply only to a title in fee.

²It is important to note that throughout the Income Tax Law traditionally the division between long term and short term capital gain is the six-month period of time in which the property is held, and not the character or quality of the title to the property, and that this division applies to personal property as well as to real property.

In singling out the phrase "if the crop and the land are sold" the Government by implication contends "You've got to own full title to it before you can sell it". In other words, a tenant without title to earth, rocks, dirt, etc., which comprise "land", cannot engage in a transaction in which the land is sold. Grammatically and logically this premise is false. The word "sold" is the past tense and past participle of "sell", a transitive verb whose synonym is "to give up" and "deliver up", and which is defined by Webster as "to give up, deliver or exchange for money or its equivalent; to part with for a price". A tenant or any person having any degree of tenure in land may give it up, or part with it, for a price. Therefore the phrase in Section 117 (j) (3) "an unharvested crop on land used in the trade or business *and held for more than six months*" must be given full consideration in ascertaining the meaning of the phrase "if the land and the crop are sold".³

Furthermore, the construction contended by the Government violates the rule of construction which prohibits the Court from adding to a statute. To say that Section 117 (j) (33) is limited to sales of fee land is virtually to change the wording of the section

³The phrase "in the case of an unharvested crop on land used in the trade or business and held for more than six months" is an adjective phrase defining and limiting the type of crops with which the section is concerned. The phrase "if the crop and the land are sold, exchanged or involuntarily converted" is definitive of the conditions under which the unharvested crops before mentioned are considered property used in the trade or business under the Act. This is made clear by the accompanying grammatical diagrams of Section 117 (j) (3) set forth in Part VI of the Appendix.

as written by Congress.⁴ This the Court may not do.

Mertens, supra, on page 5 states:

“The duty of the Courts is limited to interpretation. They cannot legislate. The remedy for an unjust or ineffective law is corrective legislation. . . . The Courts cannot change a plain meaning by substituting another, indulge in speculation, graft upon the statute something not already there, or supply omissions.”

Mertens, supra, at page 7 further states:

“It is well established that statutes should be reasonably interpreted in a practical and sensible light. In recent years, the Courts have not felt bound to apply slavishly the literal phrasing of statutes when the clearly indicated purpose of the Congress seems to require a broader or a narrower interpretation. Generally, a construction leading to hardship, injustice, . . . contradictions, absurdity, or sometimes merely to an unreasonable result, should be avoided unless the meaning is clear.”

It is submitted that the construction contended for by the Government brings about hardship, injustice, confusion, contradiction, absurdity and a wholly unreasonable result, by segregating unharvested crops into two categories: (1) Crops grown on fee land, and, (2) other crops, instead of crops growing upon land held and used for less than six months, as distinguished from more than six months.

⁴The Government is in effect seeking to change that portion of the section which reads “if the crop and the land are sold” to read “if the crop and the land, title to which is held in fee simple, are sold”.

There is no reasonable basis for discriminating between tenant farmers and fee land farmers.

Farmer A⁵ owns his land and starts to grow a crop. Farmer B⁶ leases his land and starts to grow the same crop. Both use the same seed, the same implements, and perform the same farming operations. Both sell their farms before their crops mature. Is there any reason why one should be allowed capital gains treatment on his crop and the other denied the same treatment?

Take another example. Farmer A starts ranching. Not having the money to buy, he leases, and, after a time prospers and buys additional acreage. He grows the same crops upon his leased land and upon his owned land, in identically the same manner. Then he decides to retire during a crop year and sells his leased land and his fee land to Rancher B at the same time and in the same transaction. Why should part of his crop be given capital gains treatment and part ordinary income treatment? Would it not be more consistent to give the statute a reasonable construction rather than one which leads to an absurdity?⁷

It is submitted that the Congressional Debates and Committee Reports indicate that it was never the

⁵In 1954 there were 2,744,708 full owner farmers. *Agricultural Census for 1954*, Vol. 2, published by Secretary of Agriculture.

⁶In 1954 in the United States there were 1,149,239 all tenant farmers. *Agricultural Census*, supra.

⁷In 1954 in the United States there were 868,180 part owner-part tenant farmers. *Agricultural Census*, supra.

intention of Congress to discriminate between fee owners and tenants, and against the tenants.

The controversy was presented to Congress by reason of a Treasury Department ruling to the effect that all growing crops were property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, and conflicting rulings thereon had grown up in the several Circuits. The argument before Congress was, give the farmer the same capital gains treatment that you give a merchant or any other business, and allow his crops capital gains treatment when the farmer sells his business (because growing crops are not customarily sold to customers in the ordinary course of the farming business), just as the merchant is allowed capital gains treatment on his property not held for sale to customers, if he sells his business.

A farmer is one who tills the soil for the purpose of growing crops,⁸ and it is obvious that Section 117 (j) (3) was designed for the benefit of the farmer, because it deals with his merchandise, namely, crops. The profession of farming is concerned not with land tenure, but with land cultivation, *irrespective of the form of tenure under which the land is held*. In fact, Webster associates farming more with tenancy than with ownership. A farmer is defined by him as:

“A tenant; a lessee; one who hires and cultivates a farm; a cultivator of leased land; one who earns his living by farming; one who cultivates

⁸*Agricultural Census*, supra.

a farm, whether a tenant or proprietor; a husband; an agricultural; one who tills the soil."

In the light of this definition, consider Senator Humphrey's remark:

"A farmer who disposes of property used in his business should not be taxed differently from the manufacturer or merchant who does the same thing."

Considered in this light, the fact that in the Congressional Debates and Reports no distinction was made between farmers who are owners and farmers who are lessees lends forcible emphasis to the conclusion that Congress was not concerned with the type of tenure of the farm, but rather with establishing the proposition that an unharvested crop was not property held primarily for sale to customers in the ordinary course of business, and for that reason should be entitled to capital gains treatment if disposed of with the farm.

The argument on pages 10 and 11 of the Government's brief that the average man "would not treat an assignment of a lease by a lessee as a sale of land for such lessee is not commonly thought of as an owner or as a person in a position to sell the land he has leased" loses all of its force when applied to a farm. Would not an average farmer think he was selling his farm if he transferred the land and unharvested crops to another, even though the land was leased?

The construction urged by the Government is subject to constitutional attack as being violative of the Fourteenth Amendment.

Legislative discrimination is objectionable if persons engaged in the same business are subject to different restrictions or given different privileges under the same conditions. *Butler-Newark Bus Lines v. Sinclair*, 34 F. 2d 780; *King v. Crowley*, 113 U.S. 703, 28 L. Ed. 1145.

It is an elementary principle that where the validity of a statute is assailed and there are two possible interpretations, one by which the statute would be unconstitutional and the other by which it would be valid, the Court should adopt the construction which would uphold it. It is the duty of Courts to adopt a construction of a statute that will bring it into harmony with the Constitution if its language will permit. The duty of Courts so to construe a statute as to save its constitutionality when it is reasonably susceptible of two constructions includes the duty of adopting a construction which will not subject it to a succession of doubts as to its constitutionality, for it is well settled that a statute must be construed, if fairly possible, so as to avoid not only the conclusion that it is unconstitutional but also grave doubt upon that score. For example, the provisions of the Income Tax Law must be construed with an eye to possible constitutional limitations, so as to avoid doubts as to its validity. 11 Am. Jur. 725-730; *Lucas v. Alexander*, 279 U.S. 573, 73 L. Ed. 871, 61 A.L.R. 906.

POINT 2.

THE REGULATION, BEING CONTRARY TO THE CLEAR PROVISIONS OF THE SECTION, IS VOID.

The entire argument in respect to the construction of the statute supports the proposition that the Treasury Regulation runs squarely into the teeth of the statute in legislating "A leasehold estate or estates for years is not 'land' for the purpose of this section." Leasehold estates in land are subject to sale and the transactions are taxable. *Sutliff v. Commissioner*, 46 B.T.A. 466; *Golensky v. Commissioner*, 200 Fed. 2d 72.

The Government recognized that the sale of the leasehold estate involved in this case was taxable and allowed a capital gain upon the same because it was land used in the trade or business and held for more than six months. To say in one breath that the transaction is a sale of land and in another that it is not a sale of land is unrealistic and absurd.

The Government seeks to add force to its position by calling to the attention of this Court the fact that Section 117 (j) (3) of the 1939 Code was transplanted to Section 1231 (b) (4) of the 1954 Code after its regulation was in effect. This argument is recognized where regulations of long standing are involved and where their application is generally known. It has no force when applied to new regulations which have not been in existence long enough to be presumed to have been called to the attention of Congress. *Commissioner v. William Goldman Theaters, Inc.*, 348 U.S. 426, 99 L. Ed. 483; *Sampson v. U.S.*, 144 F.

Sup. 620. And it is of no force or effect if the regulation is void.

POINT 3.

THE SERIOUSNESS AND SIZE OF THE QUESTION INVOLVED.

Although the matter was called to the attention of the Court briefly in the Opening Brief (pages 20-30), the gravity of the question involved is brought into bold relief by the Secretary of Agriculture's compilation of statistics, the most recent of which appear in the 1954 Agricultural Census, excerpts of which are fully set forth in the appendix.

It will be seen that the Secretary disregards the form of land tenure in arriving at a "farm". He considers all the land under the control of one person or partnership as constituting one farm. Control may have been through ownership, or through lease, rental or cropping arrangement. (App., Part I.)

In 1954 there were 4,783,021 farms in the United States, covering 1,160,043,854 acres of tillable land. (App., Part II.)

Of the farms before mentioned 2,744,708 farms were operated by fee owners; 868,180 by "part owners"; 20,894 by managers; and 1,149,239 by tenants. (App., Part II.)

Of the acreages farmed 397,214,478 acres were farmed by fee owners; 472,464,635 by part owners; 100,002,885 by managers; and 190,361,856 by tenants. (App., Part IV.)

For the purposes of the problem before us part owners and tenants would be given ordinary income treatment, and fee owners capital gains treatment, under the Government's position. Managers would fall in either category. Percentage-wise approximately 65% of unharvested crops sold with the land would be denied capital gains treatment, with the result that the Congressional Act would become a farce, because it would apply only to approximately 34.2% of those intended to be covered. (App., Part IV.)

The tables in the appendix make similar comparisons for other years, commencing in 1880. No figures more recent than 1954 were available to the writer.

CONCLUSION.

It is submitted that a fair and reasonable reading of the Act shows on its face that it was intended to apply to the sale of unharvested crops on land used by the farmer in his business for at least six months, irrespective of the form of tenure, when the crops are sold with the land to the same person in the same transaction.

It is further submitted that even though the language be considered ambiguous the reasonable and rational construction consistent with the intent of Congress would reach the same result. The Treasury regulation is contrary to the language of the Act and the intent of Congress, and is void.

A judgment within our Constitutional framework which will bring justice to tenants and part owners,

representing 60% plus of the land upon which crops are grown in the United States, by giving them the same treatment given fee owners and fee land, should be entered.

Dated, Bakersfield, California,
August 12, 1958.

Respectfully submitted,

CONRON, HEARD & JAMES,

By CALVIN H. CONRON, JR.,

Attorneys for Appellant.

(Appendix Follows.)

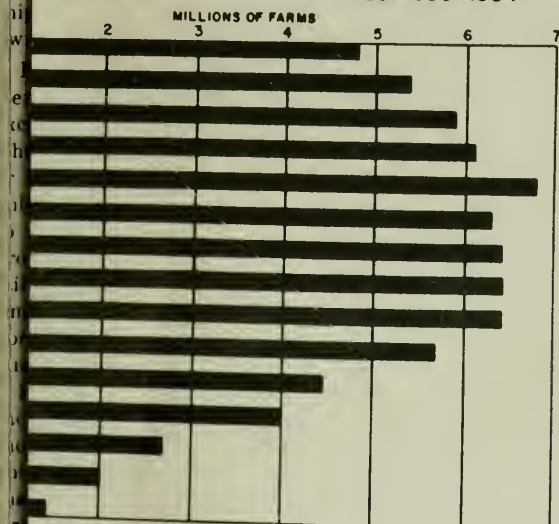


Appendix.



FARMS AND LAND

OF FARMS IN THE UNITED STATES: 1850-1954



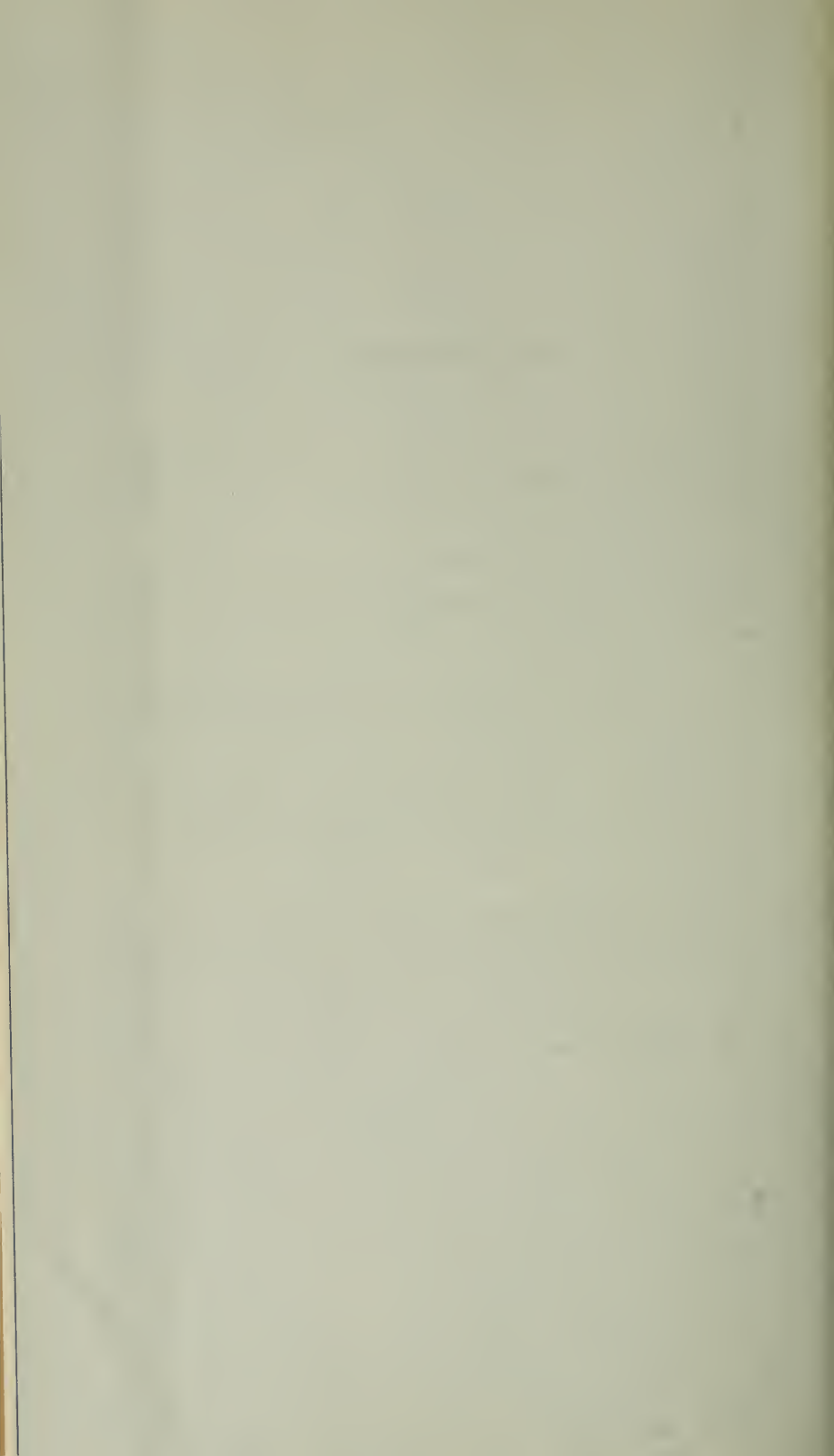
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not being used for agricultural purposes, and less of the total acreage in the place was used for purposes, the nonagricultural land in excess of the used for agricultural purposes was excluded from

In applying this rule, land used for crops, for grazing, and land rented to others was considered to be agricultural purposes. On the other hand, in these land was considered to be nonagricultural when it was pastured or wasteland.

open range and grazing land used under Government grazing land was to be included as land in farms. Land was to be included as land rented from others. operated by grazing associations were to be reported the manager in charge.

Indian reservations used for growing crops, or for stock, was to be included as farm land. Land in Indian not reported by individual Indians or not rented to was to be reported in the name of the cooperative land. Thus, in some instances, the entire reservation was reported as one farm.



GENERAL REPORT

FARMS AND LAND

Farm.—All the land under the control of one person or partnership was included as one farm. Control may have been through ownership, or through lease, rental, or cropping arrangement.

For the 1954 Census of Agriculture, places of 3 or more acres were counted as farms if the annual value of agricultural products, exclusive of home-garden products, amounted to \$150 or more. The agricultural products could have been either for home use or for sale. Places of less than 3 acres were counted as farms only if the annual value of sales of agricultural products amounted to \$150 or more. Places for which the value of agricultural products for 1954 was less than these minima because of crop failure or other unusual conditions, and places operated at the time of the Census for the first time, were counted as farms if normally they could be expected to produce these minimum quantities of agricultural products.

If a person had croppers or other tenants, the land assigned each cropper or other tenant was considered a separate farm, even though the landlord handled the entire holding as one operating unit in respect to supervision, equipment, rotation practice, purchase of supplies, or sale of products. Land retained by the landlord and worked by him with the help of his family and/or hired labor was likewise considered a farm.

In the enumeration of Indian reservations, the enumerator was instructed to obtain a questionnaire for each individual Indian operating allotted or owned land in accordance with instructions for any persons having agricultural operations. He was also instructed to obtain a questionnaire for the land held jointly, or used cooperatively. Such cooperative groups included grazing associations, grazing districts, tribal farms, Indian schools, experimental or demonstration farms, and other administrative units.

If land under the control of one person or partnership was located in two or more counties, the entire holding was enumerated as one farm and in only one county.

Farms as defined for earlier Censuses.—For the 1950 Census of Agriculture, the definition of a farm was the same as for 1954. For the 1945 and earlier Censuses of Agriculture, the definition of a farm was somewhat more inclusive. From 1925 to 1945, farms, for Census purposes, included places of 3 or more acres on which there were agricultural operations, and places of less than 3 acres if the agricultural products for home use or for sale were valued at \$250 or more. For places of 3 or more acres, no minimum quantity of agricultural production was required for purposes of enumeration; for places of under 3 acres all the agricultural prod-

ucts valued at \$250 or more may have been for home use and not for sale. The only reports excluded from the tabulations were those taken in error and those with very limited agricultural production, such as only a small home garden, a few fruit trees, a very small flock of chickens, etc. In 1945, reports for places of 3 acres or more with limited agricultural operations were retained if there were 3 or more acres of cropland and pasture, or if the value of products in 1944 amounted to \$150 or more when there were less than 3 acres of cropland and pasture.

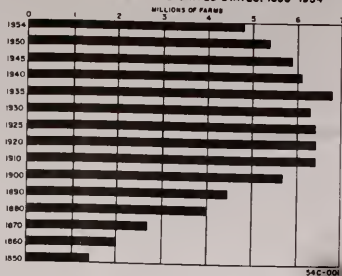
The definition of a farm in the 1920 and 1910 Censuses was similar to that used from 1925 to 1940 but was somewhat more inclusive. In those years farms of less than 3 acres with products valued at less than \$250 were to be included provided they required the continuous services of at least one person.

In the definition for 1900, there were no acreage or value of production limits. Market, truck, and fruit gardens, orchards, nurseries, cranberry marshes, greenhouses, and city dairies were to be included provided the entire time of at least one person was devoted to their care. For 1890, 1880, and 1870, no tract of less than 3 acres was to be reported as a farm unless \$500 worth of produce was actually sold from it during the year. For 1860, no definition was given the enumerators. In the Census of 1850, no acreage qualification was given in the definition, but there was a lower limit of \$100 for value of products.

Land in farms.—For 1954, the land in each farm, that is the land under the control of each farm operator or partnership, was determined by asking the number of acres owned, the acres rented from others or worked on shares for others, and the acres rented to others or worked on shares by others. The acres in the farm were obtained by adding the acres owned and acres rented from others or worked on shares for others, and subtracting the acres rented to others or worked on shares by others. In case of a managed farm, the person in charge was asked the total acreage managed for his employer. The acreage that was rented to others or cropped by others was subtracted from the total managed acreage.

The acreage designated "land in farms" includes considerable areas of land not actually under cultivation and some land not used for pasture or grazing. All woodland and wasteland owned by farm operators, or included in tracts rented from others, is included as land in farms unless such land was held for other than agricultural purposes, or unless the acreage of such land held by a farm operator was unusually large. If a place had 1,000 or more

NUMBER OF FARMS IN THE UNITED STATES: 1850-1954



acres of land not being used for agricultural purposes, and less than 10 percent of the total acreage in the place was used for agricultural purposes, the nonagricultural land in excess of the number of acres used for agricultural purposes was excluded from the farm area. In applying this rule, land used for crops, for pasture or grazing, and land rented to others was considered to be land used for agricultural purposes. On the other hand, in these large tracts, land was considered to be nonagricultural when it was woodland not pastured or wasteland.

Except for open range and grazing land used under Government permit, all grazing land was to be included as land in farms. Land used rent free was to be included as land rented from others. Grazing lands operated by grazing associations were to be reported in the name of the manager in charge.

All land in Indian reservations used for growing crops, or for grazing livestock, was to be included as farm land. Land in Indian reservations, not reported by individual Indians or not rented to non-Indians, was to be reported in the name of the cooperative group using the land. Thus, in some instances, the entire reservation was reported as one farm.



Table 1.—TENURE CLASSES INCLUDED IN THE REPORTS FOR EACH CENSUS, WITH THE NUMBER OF FARMS IN EACH CLASS: 1880 TO 1954

| 1954 | 1950 | 1945 | 1940 | 1935 | 1930 | 1925 | 1920 | 1910 | 1900 | 1890 | 1880 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------------------|--------------------------------|---------------------------------|----------------------|----------------------|
| Full owners | Full owners | Full owners | Full owners | Full owners | Full owners | Full owners | Owners owning entire farm | Owners owning entire farm | Owners | Cultivated by owners | Cultivated by owners |
| 2,736,951 | 3,089,583 | 3,301,361 | 3,084,138 | 3,210,224 | 2,911,644 | 3,313,490 | 3,366,510 | 3,354,897 | 3,148,648 | | |
| | | | | | | | | | Owners and tenants ¹ | | |
| | | | | | | | | | 53,299 | | |
| Part owners | Part owners | Part owners | Part owners | Part owners | Part owners | Part owners | Owners hiring additional land | Owners renting additional land | Part owners | | |
| 856,933 | 824,923 | 660,502 | 615,039 | 688,867 | 656,750 | 554,842 | 558,580 | 593,825 | 451,376 | | |
| Managers | Managers | Managers | Managers | Managers | Managers | Managers | Managers | Managers | Managers | | |
| 20,647 | 23,527 | 38,885 | 36,351 | 48,104 | 55,889 | 40,700 | 68,449 | 58,104 | 59,085 | | |
| All tenants | All tenants | All tenants | All tenants | All tenants | All tenants | All tenants | All tenants | All tenants | Tenants | Rented | Rented |
| 1,167,885 | 1,444,129 | 1,858,421 | 2,361,271 | 2,865,155 | 2,664,365 | 2,462,608 | 2,454,804 | 2,354,676 | 2,024,964 | 1,294,913 | 1,024,601 |

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GENERAL REPORT

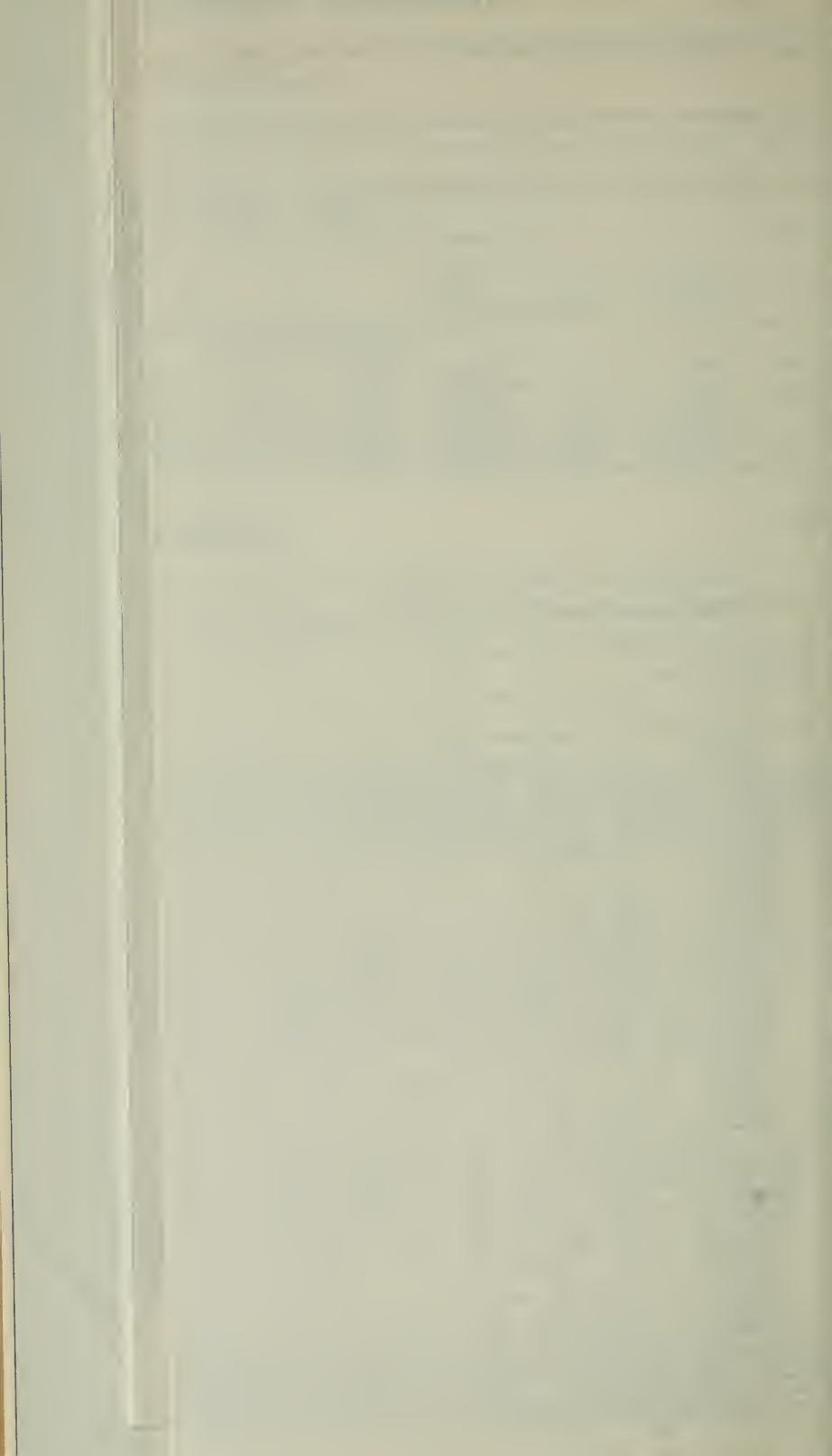
Table 3.—NUMBER OF FARMS, BY COLOR AND TENURE OF

[Data for 1954 are based on reports for only a sample of]

| Color and tenure of operator | | Number of farms | | | | | | | | | | | Increase or decrease (-) | | | |
|------------------------------|----------------------|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------------------|-----------|-----------|-----------|
| | | 1954 | 1950 | 1945 | 1940 | 1935 | 1930 | 1925 | 1920 | 1910 | 1900 | 1890 | 1880 | Number | | |
| | | | | | | | | | | | | | | 1950-1954 | 1945-1950 | 1940-1945 |
| 1 | All farm operators | 4,783,021 | 5,382,162 | 5,859,169 | 6,096,799 | 6,812,350 | 6,288,648 | 6,371,640 | 6,448,343 | 6,361,502 | 5,737,372 | 4,564,641 | 4,008,907 | -599,141 | -477,007 | -237,630 |
| 2 | Full owners..... | 2,744,708 | 3,089,583 | 3,301,361 | 3,084,138 | 3,210,224 | 2,911,644 | 3,313,490 | 3,366,510 | 3,354,897 | 3,201,847 | | | -344,875 | -211,778 | 217,223 |
| 3 | Part owners..... | 868,180 | 824,923 | 660,502 | 615,039 | 688,867 | 656,750 | 554,842 | 558,580 | 593,825 | 451,376 | 3,269,728 | 2,984,306 | 43,257 | 164,421 | 45,463 |
| 4 | Managers..... | 20,894 | 23,527 | 38,885 | 36,351 | 48,104 | 55,889 | 40,700 | 68,449 | 58,104 | 59,085 | | | -2,433 | -15,358 | 2,334 |
| 5 | All tenants..... | 1,149,239 | 1,444,129 | 1,858,421 | 2,361,271 | 2,865,155 | 2,664,365 | 2,462,608 | 2,454,804 | 2,354,676 | 2,024,964 | 1,294,913 | 1,024,601 | -294,890 | -414,292 | -502,850 |
| 6 | Cash..... | 160,131 | 212,790 | 402,175 | 514,438 | (NA) | 489,213 | 393,452 | 480,009 | 712,294 | 1,751,665 | 1,454,659 | 1,322,357 | -52,659 | -189,385 | -112,263 |
| 7 | Share-cash..... | 165,241 | 193,109 | 317,858 | 278,605 | (NA) | (NA) | (NA) | 127,822 | 128,466 | | | | -27,868 | 55,251 | -140,747 |
| 8 | Crop-share..... | 327,261 | 419,740 | | | | | | | | | | | | | |
| 9 | Livestock-share..... | 111,154 | 115,277 | 694,928 | 815,799 | (NA) | (NA) | (NA) | 1,117,721 | 1,399,923 | 1,273,299 | 1,840,254 | 1,702,244 | -92,479 | -159,911 | -120,871 |
| 10 | Croppers..... | 267,662 | 346,765 | 446,556 | 541,291 | 716,256 | 776,278 | 623,058 | 561,091 | | | | | -79,103 | -99,791 | -94,735 |
| 11 | Other..... | 52,669 | 48,071 | 176,904 | 211,138 | (NA) | (NA) | (NA) | 116,161 | 113,993 | (NA) | (NA) | (NA) | 4,598 | -20,456 | -34,234 |
| 12 | Unspecified..... | 65,121 | 108,377 | | | | | | | | | | | -4,256 | | |
| 13 | White, total..... | 4,301,420 | 4,801,243 | 5,169,954 | 5,377,728 | 5,956,795 | 5,372,578 | (3) | 5,498,454 | 5,440,619 | 4,969,608 | (NA) | (NA) | -499,832 | -368,711 | -207,774 |
| 14 | Full owners..... | 2,604,730 | 2,936,122 | 3,126,212 | 2,916,562 | 3,036,910 | 2,752,787 | (3) | 3,174,109 | 3,159,088 | 3,025,931 | (NA) | (NA) | -331,392 | -190,090 | 209,650 |
| 15 | Part owners..... | 814,112 | 769,573 | 629,734 | 581,517 | 650,787 | 612,887 | (3) | 517,759 | 548,413 | 420,875 | (NA) | (NA) | 44,539 | 139,839 | 48,217 |
| 16 | Managers..... | 20,236 | 23,056 | 38,263 | 35,634 | 46,914 | 52,767 | (3) | 66,223 | 56,560 | 57,261 | (NA) | (NA) | -2,820 | -15,207 | 2,629 |
| 17 | All tenants..... | 862,342 | 1,072,492 | 1,375,745 | 1,844,015 | 2,222,184 | 1,954,137 | (3) | 1,740,363 | 1,676,558 | 1,465,541 | (NA) | (NA) | -210,150 | -303,255 | -468,270 |
| 18 | Cash..... | 130,737 | 171,375 | 326,787 | 444,205 | (NA) | 387,834 | (3) | 1,373,835 | 1,447,851 | 1,477,002 | (NA) | (NA) | -40,638 | -155,412 | -117,418 |
| 19 | Share-cash..... | 161,971 | 187,114 | 312,302 | 271,597 | (NA) | (NA) | (NA) | 119,395 | 113,843 | | (NA) | (NA) | -25,543 | 54,812 | -139,295 |
| 20 | Crop-share..... | 255,787 | 321,413 | | | | | | | | | | | -65,626 | -162,759 | -125,112 |
| 21 | Livestock-share..... | 109,543 | 113,442 | 597,614 | 722,726 | (NA) | (NA) | (NA) | 936,564 | 1,026,372 | 988,539 | (NA) | (NA) | -3,899 | | |
| 22 | Croppers..... | 107,410 | 148,708 | 176,260 | 242,173 | 347,848 | 383,381 | 278,736 | 227,378 | | | | | -41,292 | -27,552 | -65,913 |
| 23 | Other..... | 40,862 | 36,333 | 142,782 | 163,314 | (NA) | (NA) | (NA) | 183,191 | 188,492 | (NA) | (NA) | (NA) | 4,509 | -12,342 | -20,532 |
| 24 | Unspecified..... | 56,446 | 94,107 | | | | | | | | | | | -37,661 | | |
| 25 | Nonwhite, total..... | 481,601 | 580,919 | 689,215 | 719,071 | 855,555 | 916,070 | (3) | 949,889 | 920,883 | 767,764 | (NA) | (NA) | -39,318 | -108,296 | -29,856 |
| 26 | Full owners..... | 139,978 | 153,461 | 175,149 | 167,576 | 173,314 | 158,857 | (3) | 192,401 | 195,809 | 176,016 | (NA) | (NA) | -13,483 | -21,688 | 7,573 |
| 27 | Part owners..... | 54,068 | 55,250 | 30,768 | 33,522 | 36,080 | 43,863 | (3) | 40,821 | 45,412 | 30,501 | (NA) | (NA) | 1,182 | 24,582 | -2,754 |
| 28 | Managers..... | 658 | 471 | 622 | 717 | 1,190 | 3,122 | (3) | 2,226 | 1,544 | 1,824 | (NA) | (NA) | -1,871 | 151 | -95 |
| 29 | All tenants..... | 286,897 | 371,637 | 482,676 | 517,256 | 642,971 | 710,228 | (3) | 714,441 | 678,118 | 559,623 | (NA) | (NA) | -86,706 | -111,039 | -34,580 |
| 30 | Cash..... | 29,394 | 41,415 | 75,388 | 70,233 | (NA) | 101,376 | (3) | 106,174 | 126,443 | 127,643 | (NA) | (NA) | -12,002 | -33,973 | 5,155 |
| 31 | Share-cash..... | 3,670 | 5,995 | 5,556 | 7,008 | (NA) | (NA) | (NA) | 8,427 | 14,623 | | (NA) | (NA) | -2,325 | 439 | -1,452 |
| 32 | Crop-share..... | 71,474 | 98,327 | | | | | | | | | | | -26,853 | | |
| 33 | Livestock-share..... | 1,611 | 1,835 | 97,314 | 93,073 | (NA) | (NA) | (NA) | 181,157 | 373,551 | 284,760 | (NA) | (NA) | | 2,848 | 4,241 |
| 34 | Croppers..... | 160,246 | 198,057 | 270,296 | 299,118 | 368,408 | 392,897 | 344,322 | 333,713 | | | | | -37,811 | -72,239 | -28,822 |
| 35 | Other..... | 11,827 | 11,738 | 34,122 | 47,824 | (NA) | (NA) | (NA) | 184,970 | 125,501 | (NA) | (NA) | (NA) | 89 | -8,114 | -33,703 |
| 36 | Unspecified..... | 8,675 | 14,270 | | | | | | | | | | | 89 | | |

NA Not available. ¹For 1920, standing renters (renters paying a fixed quantity of products) for the North and the West were included with "cash tenants," and those for the South with "other tenants"; for 1910, standing renters were included with "cash tenants" for all States; for 1900, standing renters and unspecified tenants were included with tenants; for 1890 and 1880, all tenants were classified as either renting for fixed money rental or for share of products. See Table 1. ²In determining increase or decrease 1910 to 1920, the 27,072 white and the 77,924 nonwhite standing renters reported for the South for 1920 were included with cash tenants, since the 1910 figures for cash tenants include standing renters. See Footnote 1. ³In determining increase or decrease 1900 to 1910, other and unspecified tenants for 1910 were included with cash tenants, since the 1900 figures for cash tenants include unspecified tenants. See Footnote 1. ⁴South only. See text. ⁵Available for the South only.

Table 4.—NUMBER OF FARMS, BY COLOR AND TENURE OF

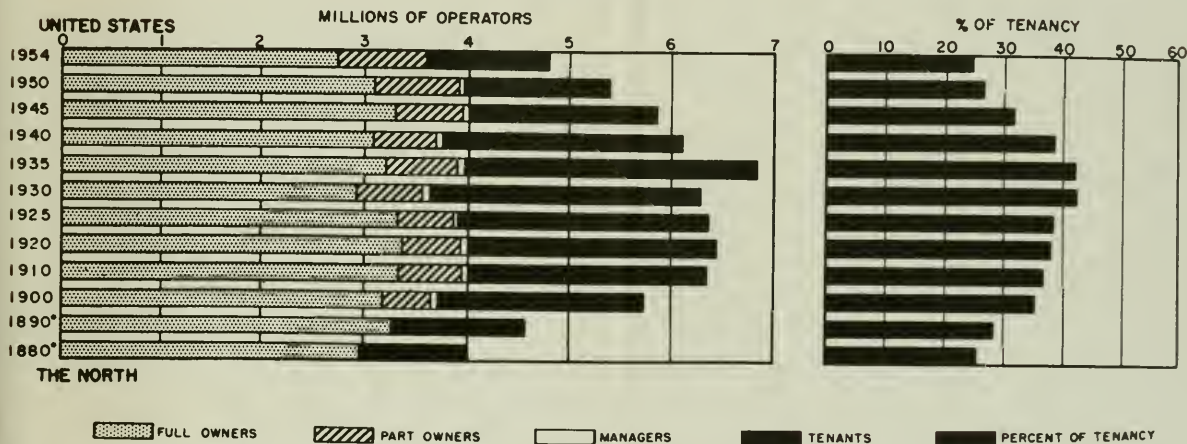


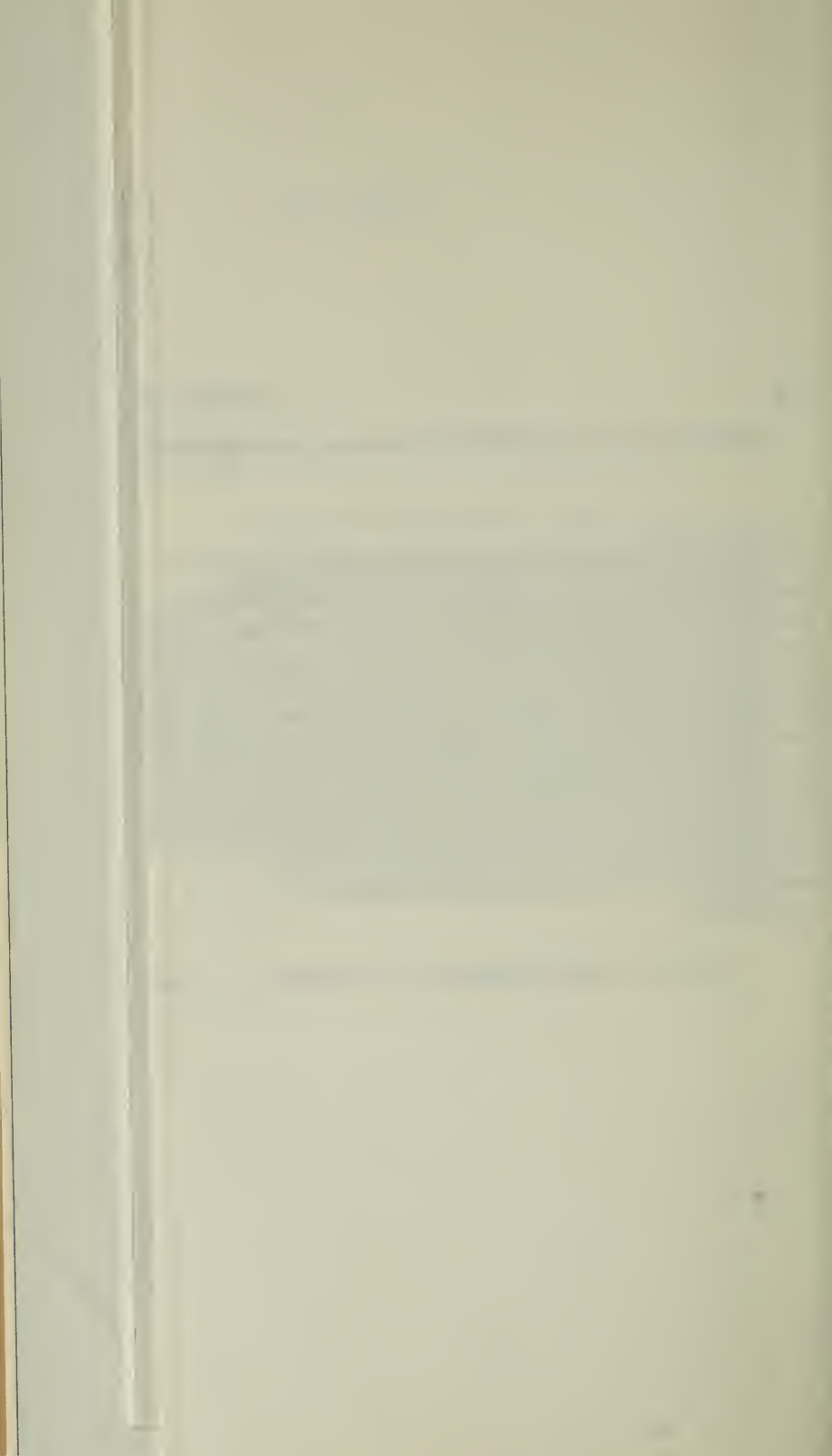
PART III

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GENERAL REPORT

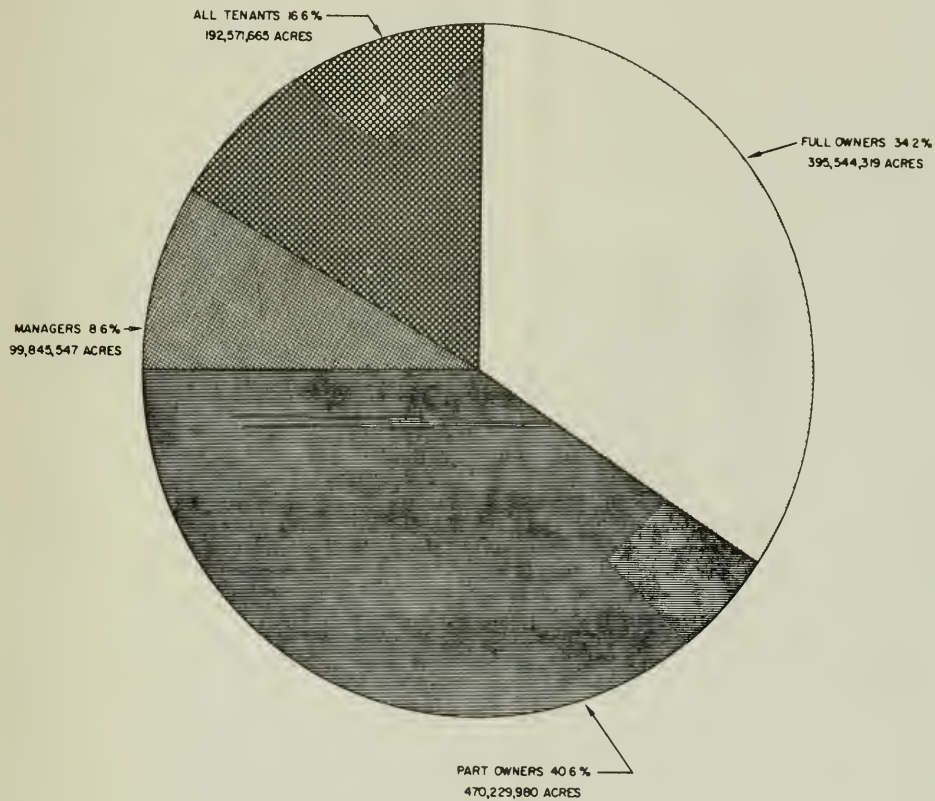
NUMBER OF FARM OPERATORS, BY TENURE, AND PERCENT OF TENANCY, FOR THE UNITED STATES AND REGIONS:
1880 - 1954





PART IV
Page 1

LAND IN FARMS, BY TENURE OF OPERATOR, FOR THE UNITED STATES 1954





PART IV

Page 2

COLOR, RACE, AND TENURE OF FARM OPERATOR

965

Table 16.—OWNED AND RENTED LANDS, BY TENURE OF OPERATOR, FOR THE UNITED STATES: 1925 TO 1954

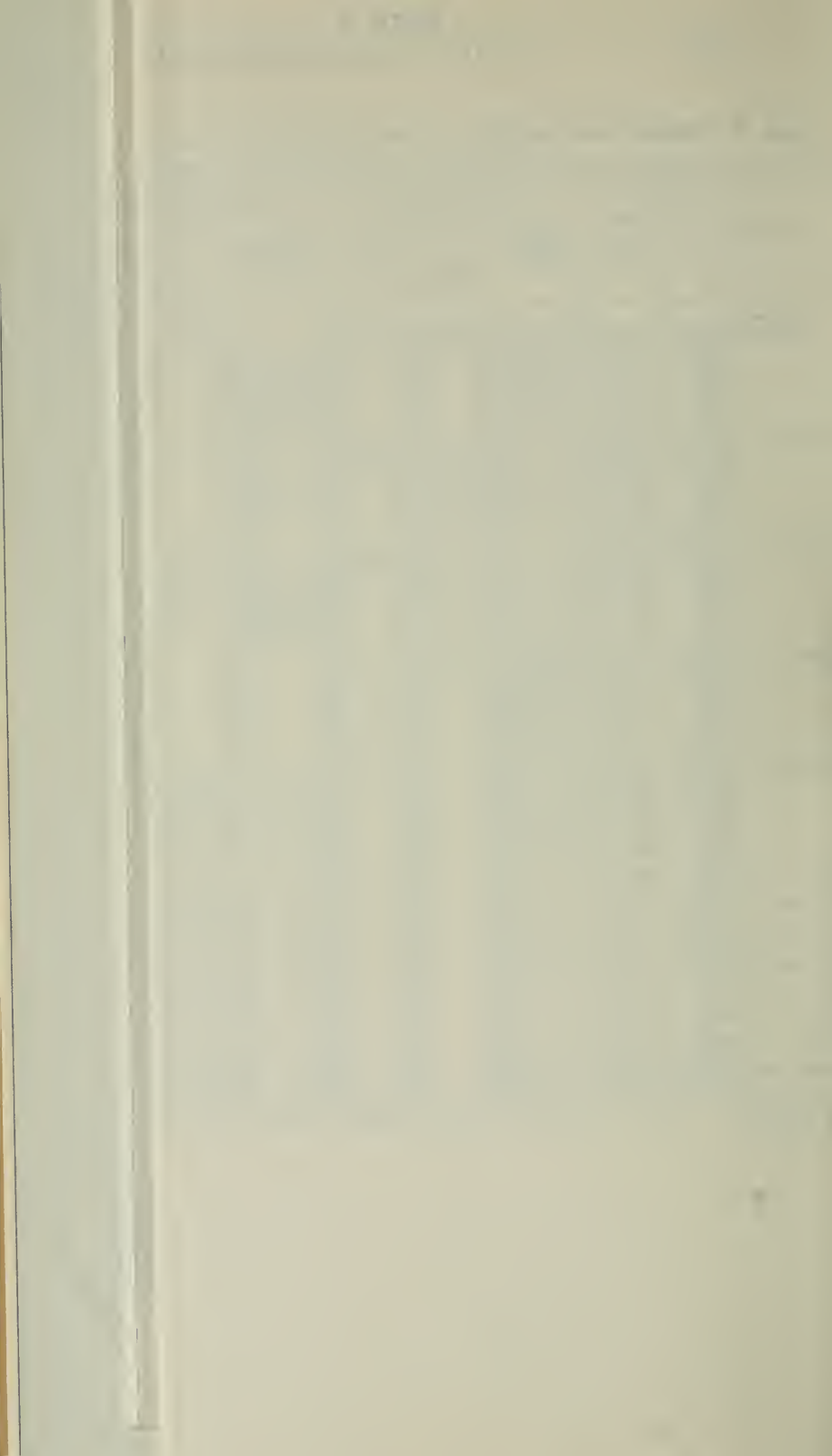
[Data for 1954 are based on reports for only a sample of farms. See text. Figures for divisions and States in Tables 24 to 27.]

| Tenure and year | Number of farms | Land in farms (acres) | Land owned by farm operators | | | Land rented from others by farm operators | | | Land managed for others by farm operators | | | Land rented to others by farm operators | |
|--------------------------------|-----------------|-----------------------|------------------------------|-------------|---------------------------|---|-------------|----------------------------|---|-------------|-----------------------------|---|------------|
| | | | Total | | Operated by owner (acres) | Total | | Operated by renter (acres) | Total | | Operated by manager (acres) | Farms reporting | Acres |
| | | | Farms reporting | Acres | | Farms reporting | Acres | | Farms reporting | Acres | | | |
| All farm operators.....1954... | 4,783,021 | 1,160,043,854 | 3,628,328 | 722,721,243 | (NA) | 2,027,963 | 406,085,576 | (NA) | 20,894 | 105,748,246 | 100,002,889 | 634,745 | 74,511,211 |
| 1950... | 5,382,162 | 1,158,565,852 | 3,914,506 | 717,505,604 | (NA) | 2,269,052 | 410,025,772 | (NA) | 23,527 | 109,880,099 | 105,241,267 | 713,604 | 78,845,623 |
| 1945... | 5,899,169 | 1,141,615,354 | (NA) | (NA) | 604,617,012 | (NA) | (NA) | 430,675,551 | (NA) | (NA) | 106,371,802 | (NA) | (NA) |
| 1940... | 6,096,799 | 1,060,892,374 | (NA) | (NA) | 526,737,455 | (NA) | (NA) | 457,984,802 | (NA) | (NA) | 66,530,117 | (NA) | (NA) |
| 1935... | 6,812,350 | 1,054,515,111 | (NA) | (NA) | 522,680,922 | (NA) | (NA) | 471,169,929 | (NA) | (NA) | 60,664,260 | (NA) | (NA) |
| 1930... | 6,288,648 | 996,771,016 | (NA) | (NA) | 493,197,690 | (NA) | (NA) | 431,987,424 | (NA) | (NA) | 61,989,902 | (NA) | (NA) |
| 1925... | 6,371,640 | 924,319,352 | (NA) | (NA) | 519,994,786 | (NA) | (NA) | 361,227,620 | (NA) | (NA) | 43,096,946 | (NA) | (NA) |
| Full owners.....1954... | 2,744,708 | 397,214,478 | 442,792,435 | 397,214,478 | 10,544 | 1,629,957 | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1950... | 3,089,583 | 418,970,081 | 468,335,392 | 418,970,081 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1945... | 3,301,361 | 412,357,893 | 3,301,361 | 412,357,893 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1940... | 3,084,118 | 388,068,424 | 3,084,118 | 388,068,424 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1935... | 3,210,224 | 390,977,830 | 3,210,224 | 390,977,830 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1930... | 2,911,644 | 372,449,683 | 2,911,644 | 372,449,683 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1925... | 3,133,490 | 419,445,827 | 3,133,490 | 419,445,827 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| Part owners.....1954... | 868,180 | 472,464,635 | 868,180 | 472,464,635 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1950... | 824,923 | 428,394,476 | 824,923 | 428,394,476 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1945... | 660,502 | 371,251,483 | 660,502 | 371,251,483 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1940... | 615,039 | 300,325,307 | 615,039 | 300,325,307 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1935... | 688,867 | 266,070,714 | 688,867 | 266,070,714 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1930... | 656,750 | 245,726,107 | 656,750 | 245,726,107 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| 1925... | 554,842 | 196,889,692 | 554,842 | 196,889,692 | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx | xxx |
| Managers.....1954... | 20,894 | 100,002,889 | xxx | xxx | xxx | xxx | xxx | xxx | 20,894 | 105,748,246 | 100,002,889 | 3,399 | 5,745,361 |
| 1950... | 23,527 | 105,241,267 | xxx | xxx | xxx | xxx | xxx | xxx | 23,527 | 109,880,099 | 105,241,267 | 3,889 | 4,638,812 |
| 1945... | 38,885 | 106,371,802 | xxx | xxx | xxx | xxx | xxx | xxx | 38,885 | 106,371,802 | xxx | xxx | xxx |
| 1940... | 36,351 | 66,530,117 | xxx | xxx | xxx | xxx | xxx | xxx | 36,351 | 66,530,117 | xxx | xxx | xxx |
| 1935... | 48,104 | 60,664,260 | xxx | xxx | xxx | xxx | xxx | xxx | 48,104 | 60,664,260 | xxx | xxx | xxx |
| 1930... | 55,889 | 61,989,902 | xxx | xxx | xxx | xxx | xxx | xxx | 55,889 | 61,989,902 | xxx | xxx | xxx |
| 1925... | 40,700 | 43,096,946 | xxx | xxx | xxx | xxx | xxx | xxx | 40,700 | 43,096,946 | xxx | xxx | xxx |
| All tenants.....1954... | 1,149,239 | 190,361,896 | 15,440 | 2,695,065 | xxx | 1,149,239 | 192,193,463 | 190,361,896 | xxx | xxx | xxx | 42,330 | 4,526,672 |
| 1950... | 1,444,129 | 211,960,028 | xxx | xxx | xxx | 1,444,129 | 214,069,726 | 211,960,028 | xxx | xxx | xxx | 38,981 | 2,109,698 |
| 1945... | 1,858,421 | 251,634,186 | xxx | xxx | xxx | 1,858,421 | xxx | 251,634,186 | xxx | xxx | xxx | xxx | xxx |
| 1940... | 2,361,271 | 311,898,526 | xxx | xxx | xxx | 2,361,271 | xxx | 311,898,526 | xxx | xxx | xxx | xxx | xxx |
| 1935... | 2,865,155 | 336,802,307 | xxx | xxx | xxx | 2,865,155 | xxx | 336,802,307 | xxx | xxx | xxx | xxx | xxx |
| 1930... | 2,664,365 | 306,409,324 | xxx | xxx | xxx | 2,664,365 | xxx | 306,409,324 | xxx | xxx | xxx | xxx | xxx |
| 1925... | 2,462,608 | 264,886,887 | xxx | xxx | xxx | 2,462,608 | xxx | 264,886,887 | xxx | xxx | xxx | xxx | xxx |
| Cash.....1954... | 160,131 | 36,999,882 | 2,693 | 699,513 | xxx | 160,131 | 37,658,727 | 36,999,882 | xxx | xxx | xxx | 9,638 | 1,358,358 |
| 1950... | 212,790 | 42,203,019 | xxx | xxx | xxx | 212,790 | 42,929,024 | 42,203,019 | xxx | xxx | xxx | 10,328 | 726,009 |
| Share-cash.....1954... | 165,241 | 46,210,227 | 3,703 | 623,257 | xxx | 165,241 | 46,409,890 | 46,210,227 | xxx | xxx | xxx | 6,433 | 822,920 |
| 1950... | 193,109 | 48,690,162 | xxx | xxx | xxx | 193,109 | 48,951,038 | 48,690,162 | xxx | xxx | xxx | 4,169 | 260,876 |
| Crop-share.....1954... | 327,261 | 53,987,449 | 4,815 | 811,191 | xxx | 327,261 | 54,416,040 | 53,987,449 | xxx | xxx | xxx | 14,061 | 1,219,782 |
| 1950... | 419,740 | 58,701,053 | xxx | xxx | xxx | 419,740 | 59,212,151 | 58,701,053 | xxx | xxx | xxx | 12,365 | 511,098 |
| 1945... | 111,154 | 29,676,477 | 1,552 | 229,639 | xxx | 111,154 | 29,776,477 | 29,676,080 | xxx | xxx | xxx | 3,048 | 330,036 |
| 1940... | 125,277 | 28,097,755 | xxx | xxx | xxx | 125,277 | 28,170,896 | 28,097,755 | xxx | xxx | xxx | 1,788 | 73,141 |
| Croppers ?.....1954... | 267,662 | 9,412,841 | 864 | 56,091 | xxx | 267,662 | 9,499,353 | 9,412,841 | xxx | xxx | xxx | 2,460 | 142,603 |
| 1950... | 346,765 | 14,166,148 | xxx | xxx | xxx | 346,765 | 14,297,191 | 14,166,148 | xxx | xxx | xxx | 3,435 | 131,043 |
| Other.....1954... | 52,669 | 5,311,200 | 773 | 124,396 | xxx | 52,669 | 5,441,038 | 5,311,200 | xxx | xxx | xxx | 2,961 | 294,234 |
| 1950... | 48,071 | 5,395,127 | xxx | xxx | xxx | 48,071 | 5,500,844 | 5,395,127 | xxx | xxx | xxx | 2,292 | 109,715 |
| Unspecified.....1954... | 65,121 | 8,804,177 | 1,100 | 190,978 | xxx | 65,121 | 8,991,938 | 8,804,177 | xxx | xxx | xxx | 3,709 | 378,718 |
| 1950... | 108,377 | 14,706,764 | xxx | xxx | xxx | 108,377 | 15,008,584 | 14,706,764 | xxx | xxx | xxx | 4,604 | 301,820 |

NA Not available.
only. See text.

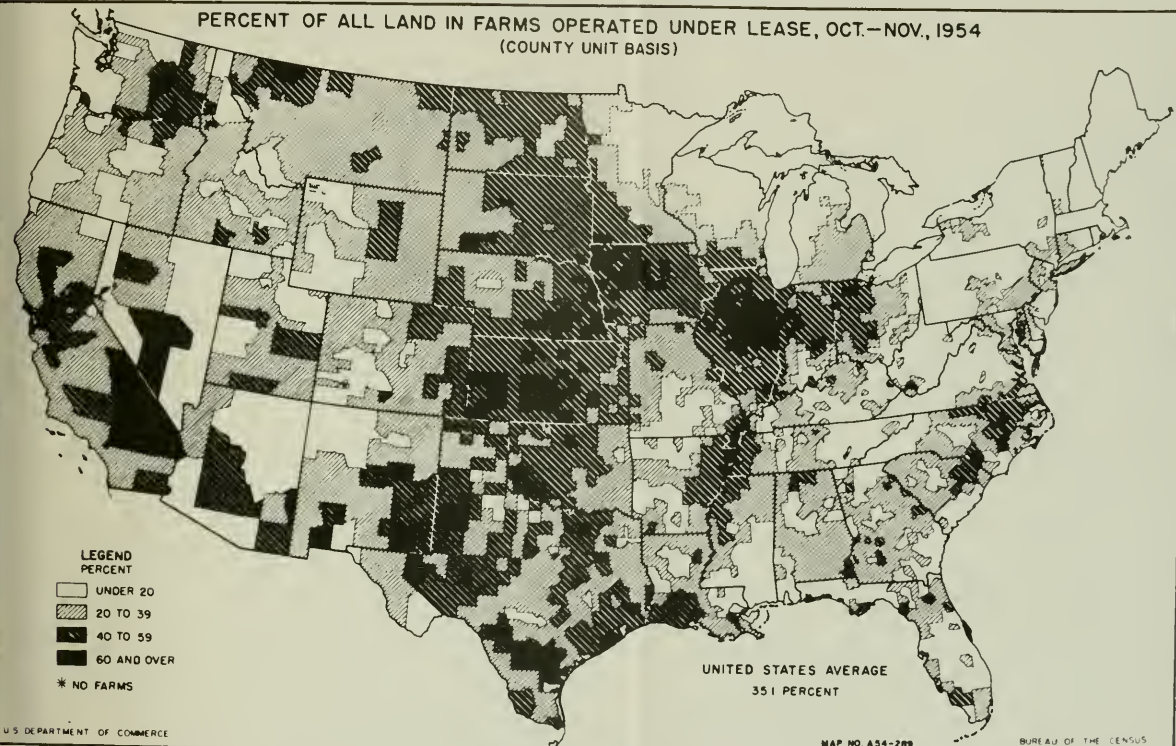
¹87,712,542 acres reported as owned by employers of managers and 18,659,260 reported as rented from others by employers of managers.

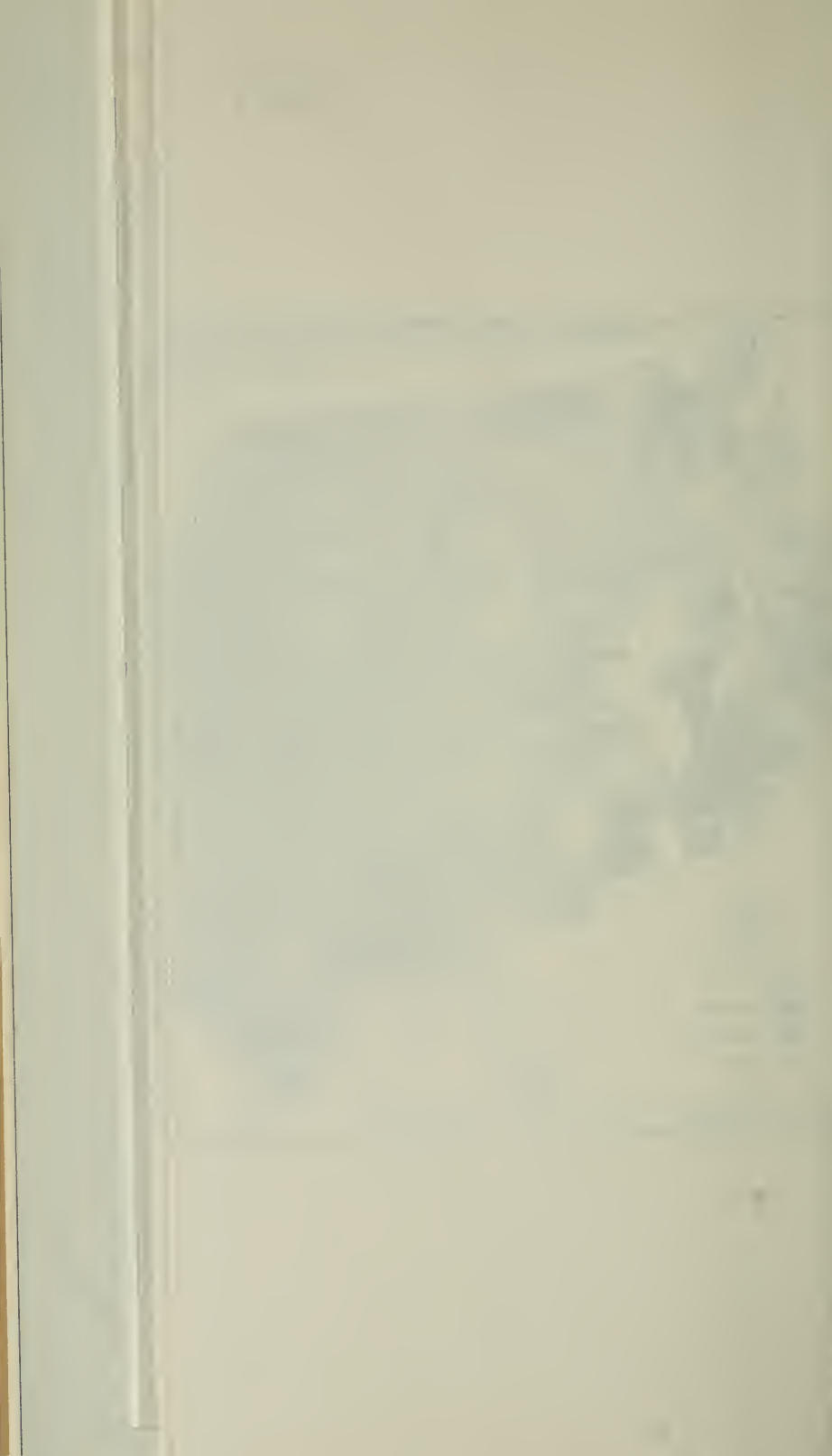
²South



PART V

PERCENT OF ALL LAND IN FARMS OPERATED UNDER LEASE, OCT.—NOV., 1954
(COUNTY UNIT BASIS)





PART VI
Page 1

shall be considered as "property used in the trade or business"

harvested

if

sold

land

crop and land are

exchanged

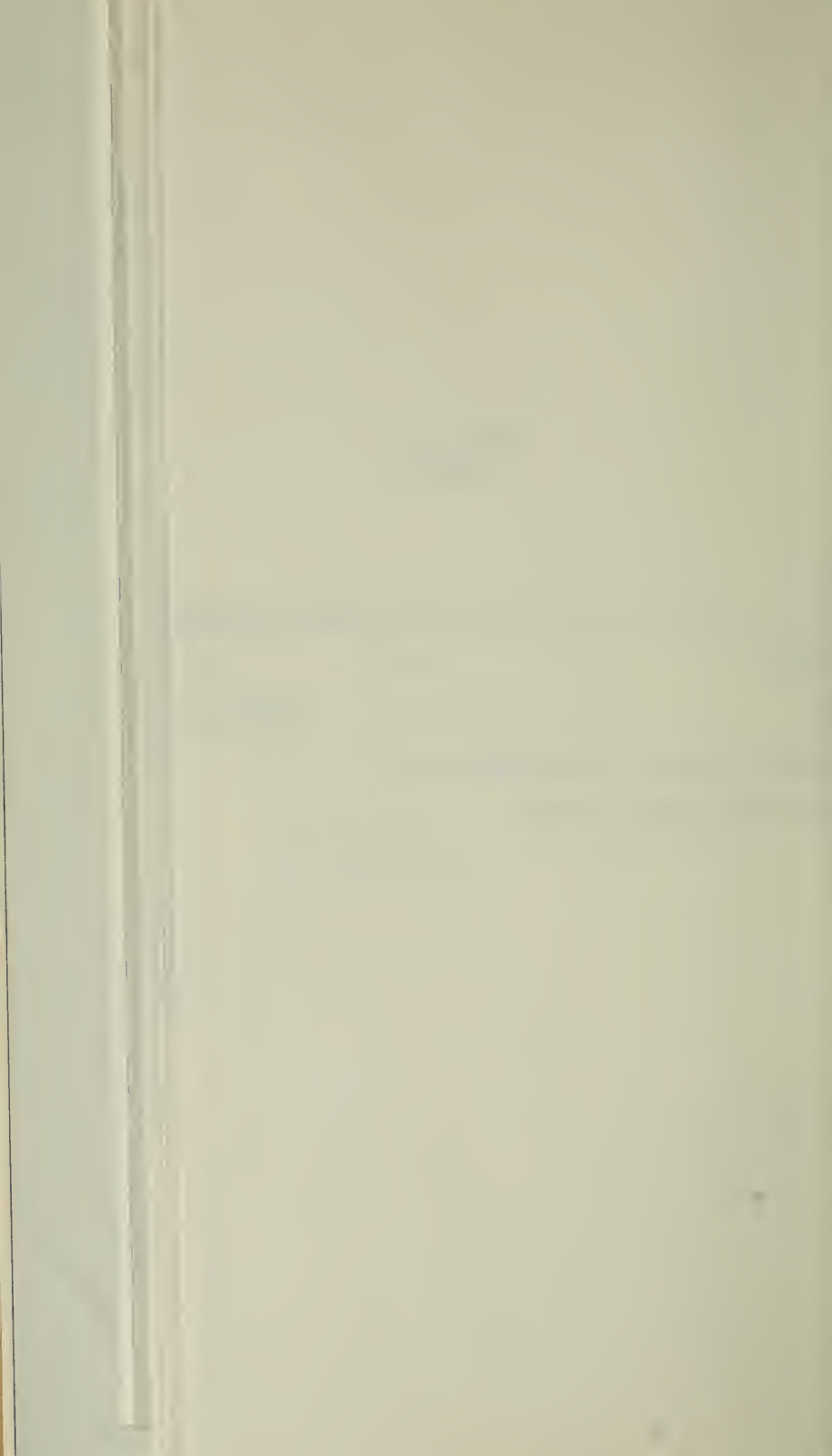
used in trade or business

converted

held more than 6 months

at same time

to same person



PART VI
Page 2

shall be considered ^{as} property
in case the crop on land
used in trade or business
and if used for more than six months
in trade or business

if

crop and land are
sold or exchanged
converted into or compulsorily
acquired by
X X described in paragraph # 2
time the same person the

